TRADE MARKS ACT 1938 (AS AMENDED) AND
TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 1555946 BY
INFINITY FINANCIAL TECHNOLOGY, INC.
TO REGISTER THE MARK MONTAGE IN CLASS 9

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 44125
BY REUTERS LIMITED

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DECISION

On 7 December 1993 Infinity Financial Technology, Inc. applied to register the mark MONTAGE in Class 9 for a specification of goods which reads "computer software for financial services". The application is numbered 1555946.

On 14 February 1996 Reuters Ltd filed notice of opposition to this application saying that they are the proprietors of the trade marks MONTAGE and REUTER MONTAGE for computer software. Objection arises as follows:

(i) under Section 11 by reason of the use made of their marks by the opponents

(ii) under Sections 9 and 10 in that they say the mark applied for is neither distinctive nor capable of distinguishing the applicants' goods

(iii) under Section 17 in that it is not the applicants' mark.

They also ask for the application to be refused in the exercise of the Registrar's discretion.

The applicants filed a counterstatement denying the above grounds.

Both sides ask for an award of costs in their favour.

Both sides filed evidence. The matter was due to be heard on 20 December 1999but following a short postponement of the hearing the parties agreed that a decision should be made on the basis of the evidence filed. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

By the time this matter came to be decided, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. In accordance with the transitional provisions set out in Schedule 3 of that Act however, I must continue to

apply the relevant provisions of the old law to these proceedings. Accordingly all references in the later parts of this decision are references to the provisions of the old law.

Opponents' Evidence

The opponents filed a statutory declaration by Sarah Herbert, the Montage Product Manager for Reuters Ltd.

Ms Herbert describes her company as the world's leading information organisation whose clients include banks, brokerages and other customers in the financial and business markets.

She says that the mark MONTAGE was first used in 1987 to denote a facility on a trader workstation product. Different generations of such products have since been introduced. Use of the mark has been in the form REUTER MONTAGE and REUTERS MONTAGE. More particularly it is said that:

> "The Trade Mark has been used to denote part of a package of financial software applications which can be added to another product, REUTER TERMINAL and an integrated part of the Reuter Trader Workstation (RTW) and Reuters Personal Trader Workstation (PTM). Reuter Terminal is a software application for displaying real-time financial prices and news and is subscribed to by financial traders. The REUTER MONTAGE facility on this application is a Windows-based application that enables the user to build a custom display screen taking data from different sources to provide a screen that features the applications that the individual user requires together without having to switch from one application to another."

In support of the above there are exhibited (SH1) copies of literature, manuals and materials illustrating the form in which the mark is used. Ms Herbert adds that:

> "As the Trade Mark is used on products that are sold as part of a suite of software applications, it is not possible to obtain sales figures relating solely to the use of the Trade Mark, but rather figures that relate to sales of the package of applications. Between 1992 and 1996, turnover figures for sales of the Reuters Trader Workstation (RTW) and Reuters Personal Trader Workstation (PTW) in the United Kingdom incorporating use of the Trade Mark run to millions of pounds.
>
> I would estimate that in the United Kingdom, there are approximately 9,000 users of applications featuring the Trade Mark. During the past five years, over £100,000 has been spent on advertising and promoting products featuring the Trade Mark. Now produced and shown to me marked "SH2" are examples of promotional literature featuring the Trade Mark".

Applicants' Evidence

The applicants' filed a declaration by Terry Huggins Carlitz, their Chief Financial Officer and

Vice President of Finance. He says that since 1989 when the applicants were founded they have developed and sold computer software toolkits and applications for the financial services market. The applicants have also provided training, consultation and other services related to their software toolkits and applications. The applicants' software products and services are designed primarily for sophisticated financial institutions. Since the Autumn of 1992, the applicants have maintained an office in London to provide product support and consultation services to clients in the United Kingdom and Europe.

The trade mark MONTAGE was first used in the United States in or about February 1990. The MONTAGE product family consists of applications for trading and risk management, and software toolkits, which provide a technology platform for custom development. Goods bearing the trade mark MONTAGE were first offered for sale in the United Kingdom in early 1992. Since that time, the applicants' clients in the United Kingdom have included several major financial and banking institutions, such as Chase Manhattan Bank, Chemical Bank, ING/Barings, IBM UK, Logica, National Australia Bank, London, Royal Bank of Canada, London, and J. Henry Schroders Wagg & Co. Ltd., among others.

Mr Carlitz goes on to give sales figures for the UK and the rest of the world for the years 1990 to 1996. The UK figures start in 1993 and show a figure of 1,260,895 though whether this is a sterling or a dollar figure is not clear (I take it to be the latter as a total figure is also given which combines the above sum with the rest of the world figure). Given the material date of 7 December 1993. I do not need to record revenue figures for later years.

Mr Carlitz goes on to say that the cost of installing the applicant's product varies depending on the complexity of the functions required, but the normal range of license fees for the software is from approximately £250,000 up to ten times as much. As a consequence he suggests that this is not a purchase any potential customer would make without very careful investigations as to the identity of the supplier. Final decisions regarding the acquisition of the product by potential customers would be taken or approved at senior levels of the customer's management. Therefore he says, there are not the same risks of confusion between the applicants' products and others in the field as there would be in the case of consumer products available in any High Street store.

In support of the use claimed he exhibits:

THC1 - a selection of product information and marketing materials

THC2 - press releases and trade literature.

In relation to the opponents' claims he makes the following points:

S no instances of confusion have come to his attention

- he notes that the opponents' use is of the mark REUTER MONTAGE and suggests that this usage combined with the fact that the products serve different purposes accounts for the lack of any actual confusion

- he suggests that the nature of the use shown by Reuters seems to indicate that they use the word 'montage' primarily as a description on a par with terms such as 'terminal' and 'graphics'.

Opponents' Evidence In Reply

The opponents filed reply evidence in the form of a statutory declaration by Lucy Pope, a barrister and trade mark agent acting for the opponents. The purpose of her declaration is to deal with the final point in Mr Carlitz's evidence namely his claim that the opponents use the term 'montage' in a descriptive sense. She says that this view is directly contrary to previous approaches made by agents for the applicants to companies related to the opponents outside the UK in the past. In such correspondence, it has been alleged that the opponents use was not descriptive. She exhibits (LP1) a copy of such correspondence from agents for the applicants. She also counterclaims that the applicants' use in exhibit THC2 shows the term being used descriptively and adds that use by the applicants of the annotation™ does not render an otherwise non-distinctive mark adapted to or capable of distinguishing.

That concludes my review of the evidence.

The opponents have objected under Sections 9 and 10 of the Act. However, the application has in fact been advertised as a Part B one so the Section 9 objection does not arise.

Section 10 reads:

> "**10-**(1) In order for a trade mark to be registrable in Part B of the register it must be capable, in relation to the goods in respect of which it is registered or proposed to be registered, of distinguishing goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.
>
> (2) In determining whether a trade mark is capable of distinguishing as aforesaid the tribunal may have regard to the extent to which -
>
> (a) the trade mark is inherently capable of distinguishing as aforesaid; and
>
> (b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid.

> (3) A trade mark may be registered in Part B notwithstanding any registration in Part A in the name of the same proprietor of the same trade mark or any part or parts thereof."

The opponents' evidence in chief does not explain the basis of the objection. Ms Herbert merely says that the subject trade mark is not capable of distinguishing the applicants' goods "due to the use made of the trade mark by my company". As framed that appears to relate more directly to issues that I will be considering under Section 11. Somewhat curiously it is the applicants' own evidence which suggests that the opponents use the word 'montage' descriptively on a par with terms such as terminal and graphics. In reply the opponents point to a letter written by agents for the applicants to companies related to the opponents where it was claimed that the opponents' use was in a trade mark sense and not descriptively. The correspondence relates to a dispute in another jurisdiction and still fails to properly explain the nature of the objection.

Both sides have approached the alleged descriptive nature of the word 'montage' rather obliquely no doubt because they do not want to cast doubt on the nature of their own use. Insofar as an objection is discernable it seems to me that it is not that the word is descriptive of computer software for financial services as such but rather of a facility offered by such software. Thus to use the opponents' description of their product it "enables the user to build a custom display screen taking data from different sources". Is the word montage apt to describe such a facility or has it become a term of art in the trade? 'Montage' is commonly used to describe the act or process of composing pictures by the superimposition or juxtaposition of miscellaneous elements (see Collins English Dictionary). By extension it is also used to describe a rapidly cut film sequence. The (unspoken) suggestion is, I think, that the word might also be apt to describe the process of building up and displaying a variety of data entries on a computer screen. There is, however, no evidence before me that it has come to have that meaning within the industry or that others use the term in this way. As indicated the application is proceeding in Part B whether as a result of an objection (and if so what) taken by the Registry at the examination stage is not stated. On the material before me the most that can be said about the word is that it is a clever allusion to one of the functions performed by the computer software concerned. It is not, in my view, so directly descriptive that an objection arises under Section 10 of the Act.

Section 17(1) reads:

> "17. - (1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it must apply in writing to the Registrar in the prescribed manner for registration either in Part A or in Part B of the register."

The claim that it is not the applicants' mark has not been pursued or explained in the evidence. Although both parties' goods include or consist of computer software for use in the financial services field in the broad sense, they are in practice used for somewhat different applications. So far as I can tell from the evidence the marks were chosen independently and there is no

reason to suppose that the applicants adopted their mark with any improper motive. The opposition under Section 17(1) fails.

Section 11 reads:

> "11. It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design."

The established test for an objection under this Section is set down in Smith Hayden and Company Ltd's application (Volume 1946 63 RPC 1010) later adapted by Lord Upjohn in the BALI trade mark case 1969 RPC 496. Adapted to the matter in hand the test may be expressed as follows:-

> Having regard to the user of the marks REUTER MONTAGE or REUTERS MONTAGE, is the tribunal satisfied that the mark applied for MONTAGE, if used in a normal and fair manner in connection with any goods covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

I have expressed the test in the above terms because the opponents invariably use the word MONTAGE in association with the housemark REUTER or REUTERS. Both parties claim to have used their respective marks in this country. The opponents say they first used MONTAGE in 1987. The applicants say goods were first offered for sale here in early 1992 though the sales figures do not show any entry for 1992 and commence so far as the UK is concerned with 1,260,895 (dollars?) in 1993. Prima facie the opponents' claims suggest that they have priority of user for Section 11 purposes.

I have already indicated that for practical purposes the parties' respective computer software serve slightly different purposes within the financial services filed. Even so they are, I think closely related applications both being concerned with the provision of on screen data to financial traders. I also take the view that, notwithstanding the allusive nature of the word MONTAGE, confusion would be reasonably likely given that goods bearing the mark MONTAGE (solus) might be thought to be usage by the opponents without the REUTERS housemark. The matter, therefore, turns on whether the opponents have substantiated their claim to priority of user.

The opponents say that the MONTAGE product is sold as "part of a package of software applications which can be added to another product, REUTER TERMINAL, and an integrated part of the Reuter Trader Workstation (RTW) and Reuters Personal Trader Workstation (PTW)." Because MONTAGE is sold as part of a suite of software applications the opponents say it is not possible to obtain sales figures relating solely to use of the trade mark as opposed to the package of applications. Whether MONTAGE is an integral part of the package or an optional extra is not clear. A number of references to e.g. the 'extended

functionality' offered by MONTAGE and to it being a 'new optional application' (the RT3 brochure) suggest it is the latter. The opponents say that between 1992 and 1996 turnover figures for sales of the Reuters Trader Workstation and Reuters Personal Trader Workstation ran to millions of pounds. There are a number of problems with that general claim. Most of the period is after the relevant date and no breakdown is given showing sales up to the relevant date. Additionally, if MONTAGE is an optional part of the package, it is even more difficult to draw any meaningful inferences from the information provided.

A similar problem arises in relation to the advertising and promotional expenditure which is said to have amounted to £100,000 during the past five years. Ms Herbert's declaration is dated 31 January 1997. No breakdown is given to indicate what the position was at the material date.

Two sets of exhibits have been supplied to substantiate the opponents' general claims. These are the literature and manuals at SH1 and the promotional literature at SH2. I have given careful consideration to this material but am not persuaded that it establishes use of REUTERS MONTAGE at the relevant date.

Of the items in SH1, the RT3 booklet is undated; the Introduction to Reuters Montage has a printers' date of 5/96; the User Guide and Personal Trader Workstation 4.0 brochures have copyright dates of 1995; and the RT Facts (Beta draft) is dated 3 March 1995. The SH2 material suffers from similar problems. The RT Facts, Triarch, What's New brochure, and TROX brochures all have dates between 1994 and 1996. The RT3 promotional brochure and diskette appear to be undated (though the former shows trading screens with January 1995 on them). So far as I can see only one item carries a date which potentially places it within the relevant period. This is a Triarch 2000 Personal Trader Workstation brochure which has a copyright date of 1993 and contains a brief reference to MONTAGE. There is no indication as to when the brochure was actually in use.

Making the best I can of this evidence I find that the opponents' underlying assertions suffer from lack of proper substantiation. The information on trading activity is based on generalised claims and I cannot find a single exhibit that unequivocally points to priority of user for the mark REUTERS MONTAGE. In these circumstances the opposition fails under Section 11.

There is also the matter of the opponents' request for the exercise of the Registrar's discretion. However, I can see no basis for finding against the applicant on this account.

As the opposition has been unsuccessful the applicants are entitled to a contribution towards their costs. I order the opponents to pay the applicants the sum of £435.

Dated this 8 day of February 2000.

M REYNOLDS
For the Registrar
the Comptroller General